

SECOND REGULAR SESSION  
[TRULY AGREED TO AND FINALLY PASSED]  
SENATE SUBSTITUTE FOR  
SENATE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 2008**  
**91ST GENERAL ASSEMBLY**

4676S.04T

2002

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**AN ACT**

To repeal sections 301.144, 301.550, 301.560, 301.600, 301.610, 301.620, 301.630, 301.640, 301.660, 301.661, 306.400, 306.405, 306.410, 306.420, 306.430, 306.440, 365.070, 365.120, 407.750, 407.751, 407.752, 407.850, 407.860, 407.870, 407.890, 407.892, 407.893, 454.516, 700.350, 700.355, 700.360, 700.365, 700.370, 700.380 and 700.390, RSMo, and to enact in lieu thereof twenty-eight new sections relating to motor vehicle dealers, with penalty provisions.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Sections 301.144, 301.550, 301.560, 301.600, 301.610, 301.620, 301.630, 301.640, 301.660, 301.661, 306.400, 306.405, 306.410, 306.420, 306.430, 306.440, 365.070, 365.120, 407.750, 407.751, 407.752, 407.850, 407.860, 407.870, 407.890, 407.892, 407.893, 454.516, 700.350, 700.355, 700.360, 700.365, 700.370, 700.380 and 700.390, RSMo, are repealed and twenty-eight new sections enacted in lieu thereof, to be known as sections 301.144, 301.550, 301.560, 301.567, 301.600, 301.610, 301.620, 301.630, 301.640, 301.660, 306.400, 306.405, 306.410, 306.420, 306.430, 306.440, 365.070, 365.120, 407.850, 407.860, 407.870, 454.516, 700.350, 700.355, 700.360, 700.365, 700.370 and 700.380, to read as follows:

301.144. 1. The director of revenue shall establish and issue special personalized license plates containing letters or numbers or combinations of letters and numbers, not to exceed six characters in length. Such license plates shall be made with fully reflective material with a common color scheme and design, shall be clearly visible at night, and shall be aesthetically attractive, as prescribed by section 301.130. Any person desiring to obtain a special personalized license plate for any motor vehicle other than a commercial motor vehicle licensed for more than

**EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

7 twelve thousand pounds shall apply to the director of revenue on a form provided by the director  
8 and shall pay a fee of fifteen dollars in addition to the regular registration fees. The director of  
9 revenue shall issue rules and regulations setting the standards and establishing the procedure for  
10 application for and issuance of the special personalized license plates and shall provide a  
11 deadline each year for the applications. Any rule or portion of a rule, as that term is defined in  
12 section 536.010, RSMo, that is created under the authority delegated in this section shall become  
13 effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo,  
14 and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are  
15 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536,  
16 RSMo, to review, to delay the effective date or to disapprove and annul a rule are subsequently  
17 held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted  
18 after August 28, 2001, shall be invalid and void. No two owners shall be issued identical plates.  
19 An owner shall make a new application and pay a new fee each year such owner desires to obtain  
20 or retain special personalized license plates; however, notwithstanding the provisions of  
21 subsection 8 of section 301.130 to the contrary, the director shall allow the special personalized  
22 license plates to be replaced with new plates every three years without any additional charge,  
23 above the fee established in this section, to the renewal applicant. Any person currently in  
24 possession of an approved personalized license plate shall have first priority on that particular  
25 plate for each of the following years that timely and appropriate application is made.

26         2. No personalized license plates shall be issued containing any letters, numbers or  
27 combination of letters and numbers which are obscene, profane, [inflammatory or contrary to  
28 public policy] **patently offensive or contemptuous of a racial or ethnic group, or offensive**  
29 **to good taste or decency, or would present an unreasonable danger to the health or safety**  
30 **of the applicant, of other users of streets and highways, or of the public in any location**  
31 **where the vehicle with such a plate may be found.** The director may recall any personalized  
32 license plates, including those issued prior to August 28, 1992, if the director determines that the  
33 plates are obscene, profane, [inflammatory or contrary to public policy] **patently offensive or**  
34 **contemptuous of a racial or ethnic group, or offensive to good taste or decency, or would**  
35 **present an unreasonable danger to the health or safety of the applicant, of other users of**  
36 **streets and highways, or of the public in any location where the vehicle with such a plate**  
37 **may be found.** Where the director recalls such plates pursuant to the provisions of this  
38 subsection, the director shall reissue personalized license plates to the owner of the motor vehicle  
39 for which they were issued at no charge, if the new plates proposed by the owner of the motor  
40 vehicle meet the standards established pursuant to this section. **The director shall not apply the**  
41 **provisions of this statute in a way that violates the Missouri or United States constitutions**  
42 **as interpreted by the courts with controlling authority in the state of Missouri. The**

43 **primary purpose of motor vehicle licence plates is to identify motor vehicles. Nothing in the**  
44 **issuance of a personalized license plate creates a designated or limited public forum.**  
45 Nothing contained in this subsection shall be interpreted to prohibit the use of license plates,  
46 which are no longer valid for registration purposes, as collector's items or for decorative  
47 purposes.

48 3. The director may also establish categories of special license plates from which license  
49 plates may be issued. Any such person, other than a person exempted from the additional fee  
50 pursuant to subsection 6 of this section, that desires a personalized special license plate from any  
51 such category shall pay the same additional fee and make the same kind of application as that  
52 required by subsection 1 of this section, and the director shall issue such plates in the same  
53 manner as other personalized special license plates are issued.

54 4. The director of revenue shall issue to residents of the state of Missouri who hold an  
55 unrevoked and unexpired official amateur radio license issued by the Federal Communications  
56 Commission, upon application and upon payment of the additional fee specified in subsection  
57 1 of this section, except for a person exempted from the additional fee pursuant to subsection 6  
58 of this section, personalized special license plates bearing the official amateur radio call letters  
59 assigned by the Federal Communications Commission to the applicant. The application shall be  
60 accompanied by an affidavit stating that the applicant has an unrevoked and unexpired amateur  
61 radio license issued by the Federal Communications Commission and the official radio call  
62 letters assigned by the Federal Communications Commission to the applicant.

63 5. Notwithstanding any other provision to the contrary, any business that repossesses  
64 motor vehicles or trailers and sells or otherwise disposes of them shall be issued a placard  
65 displaying the word "Repossessed", provided such business pays the fees presently required of  
66 a manufacturer, distributor, or dealer in subsection 1 of section 301.253. Such placard shall bear  
67 a number and shall be in such form as the director of revenue shall determine, and shall be only  
68 used for demonstrations when displayed substantially as provided for number plates on the rear  
69 of the motor vehicle or trailer.

70 6. Notwithstanding any provision of law to the contrary, any person who has retired from  
71 any branch of the United States armed forces or reserves, the United States Coast Guard or  
72 reserve, the United States Merchant Marines or reserve, the National Guard, or any subdivision  
73 of any such services shall be exempt from the additional fee required for personalized license  
74 plates issued pursuant to section 301.441. As used in this subsection, "retired" means having  
75 served twenty or more years in the appropriate branch of service and having received an  
76 honorable discharge.

301.550. 1. The definitions contained in section 301.010 shall apply to sections 301.550  
2 to 301.573, and in addition as used in sections 301.550 to 301.573, the following terms mean:

3           (1) "Boat dealer", any natural person, partnership, or corporation who, for a commission  
4 or with an intent to make a profit or gain of money or other thing of value, sells, barter,  
5 exchanges, leases or rents with the option to purchase, offers, attempts to sell, or negotiates the  
6 sale of any vessel or vessel trailer, whether or not the vessel or vessel trailer is owned by such  
7 person. The sale of six or more vessels or vessel trailers or both in any calendar year shall be  
8 required as evidence that such person is eligible for licensure as a boat dealer under sections  
9 301.550 to 301.573. The boat dealer shall demonstrate eligibility for renewal of his license by  
10 selling six or more vessels or vessel trailers or both in the prior calendar year while licensed as  
11 a boat dealer pursuant to sections 301.550 to 301.573;

12           (2) "Boat manufacturer", any person engaged in the manufacturing, assembling or  
13 modification of new vessels or vessel trailers as a regular business, including a person,  
14 partnership or corporation which acts for and is under the control of a manufacturer or assembly  
15 in connection with the distribution of vessels or vessel trailers;

16           (3) "Department", the Missouri department of revenue;

17           (4) "Director", the director of the Missouri department of revenue;

18           (5) "Manufacturer", any person engaged in the manufacturing, assembling or  
19 modification of new motor vehicles or trailers as a regular business, including a person,  
20 partnership or corporation which acts for and is under the control of a manufacturer or assembly  
21 in connection with the distribution of motor vehicles or accessories for motor vehicles;

22           (6) "Motor vehicle broker", a person who holds himself out through solicitation,  
23 advertisement, or otherwise as one who offers to arrange a transaction involving the retail sale  
24 of a motor vehicle, and who is not:

25           (a) A dealer, or any agent, or any employee of a dealer when acting on behalf of a dealer;

26           (b) A manufacturer, or any agent, or employee of a manufacturer when acting on behalf  
27 of a manufacturer;

28           (c) The owner of the vehicle involved in the transaction; or

29           (d) A public motor vehicle auction or wholesale motor vehicle auction where buyers are  
30 licensed dealers in this or any other jurisdiction;

31           (7) "Motor vehicle dealer" or "dealer", any person who, for commission or with an intent  
32 to make a profit or gain of money or other thing of value, sells, barter, exchanges, leases or rents  
33 with the option to purchase, or who offers or attempts to sell or negotiates the sale of motor  
34 vehicles or trailers whether or not the motor vehicles or trailers are owned by such person;  
35 provided, however, an individual auctioneer or auction conducted by an auctioneer licensed  
36 pursuant to chapter 343, RSMo, shall not be included within the definition of a motor vehicle  
37 dealer. The sale of six or more motor vehicles or trailers in any calendar year shall be required  
38 as evidence that such person is engaged in the motor vehicle business and is eligible for licensure

39 as a motor vehicle dealer under sections 301.550 to 301.573;

40 (8) "New motor vehicle", any motor vehicle being transferred for the first time from a  
41 manufacturer, distributor or new vehicle dealer which has not been registered or titled in this  
42 state or any other state and which is offered for sale, barter or exchange by a dealer who is  
43 franchised to sell, barter or exchange that particular make of motor vehicle. The term "new  
44 motor vehicle" shall not include manufactured homes, as defined in section 700.010, RSMo;

45 (9) "New motor vehicle franchise dealer", any motor vehicle dealer who has been  
46 franchised to deal in a certain make of motor vehicle by the manufacturer or distributor of that  
47 make and motor vehicle and who may, in line with conducting his business as a franchise dealer,  
48 sell, barter or exchange used motor vehicles;

49 (10) "Person" includes an individual, a partnership, corporation, an unincorporated  
50 society or association, joint venture or any other entity;

51 **(11) "Powersport dealer", any motor vehicle dealer who sells, either pursuant to**  
52 **a franchise agreement or otherwise, primarily motor vehicles including but not limited to**  
53 **motorcycles, all-terrain vehicles, and personal watercraft, as those terms are defined in this**  
54 **chapter and chapter 306, RSMo;**

55 [(11)] (12) "Public motor vehicle auction", any person, firm or corporation who takes  
56 possession of a motor vehicle whether by consignment, bailment or any other arrangement,  
57 except by title, for the purpose of selling motor vehicles at a public auction by a licensed  
58 auctioneer;

59 [(12)] (13) "Storage lot", an area, within the same city or county where a dealer may  
60 store excess vehicle inventory;

61 [(13)] (14) "Used motor vehicle", any motor vehicle which is not a new motor vehicle,  
62 as defined in sections 301.550 to 301.573, and which has been sold, bartered, exchanged or given  
63 away or which may have had a title issued in this state or any other state, or a motor vehicle so  
64 used as to be what is commonly known as a secondhand motor vehicle. In the event of an  
65 assignment of the statement of origin from an original franchise dealer to any individual or other  
66 motor vehicle dealer other than a new motor vehicle franchise dealer of the same make, the  
67 vehicle so assigned shall be deemed to be a used motor vehicle and a certificate of ownership  
68 shall be obtained in the assignee's name. The term "used motor vehicle" shall not include  
69 manufactured homes, as defined in section 700.010, RSMo;

70 [(14)] (15) "Used motor vehicle dealer", any motor vehicle dealer who is not a new  
71 motor vehicle franchise dealer;

72 [(15)] (16) "Vessel", every boat and watercraft defined as a vessel in section 306.010,  
73 RSMo;

74 [(16)] (17) "Vessel trailer", any trailer, as defined by section 301.010 which is designed

75 and manufactured for the purposes of transporting vessels;

76 [(17)] **(18)** "Wholesale motor vehicle auction", any person, firm or corporation in the  
77 business of providing auction services solely in wholesale transactions at its established place  
78 of business in which the purchasers are motor vehicle dealers licensed by this or any other  
79 jurisdiction, and which neither buys, sells nor owns the motor vehicles it auctions in the ordinary  
80 course of its business. Except as required by law with regard to the auction sale of a government  
81 owned motor vehicle, a wholesale motor vehicle auction shall not provide auction services in  
82 connection with the retail sale of a motor vehicle;

83 [(18)] **(19)** "Wholesale motor vehicle dealer", a motor vehicle dealer who sells motor  
84 vehicles only to other new motor vehicle franchise dealers or used motor vehicle dealers or via  
85 auctions limited to other dealers of any class.

86 2. For purposes of sections 301.550 to 301.573, neither the term "motor vehicle" nor the  
87 term "trailer" shall include manufactured homes, as defined in section 700.010, RSMo.

88 3. Dealers shall be divided into classes as follows:

- 89 (1) Boat dealers;  
90 (2) Franchised new motor vehicle dealers;  
91 (3) Used motor vehicle dealers;  
92 (4) Wholesale motor vehicle dealers;  
93 (5) Recreational motor vehicle dealers;  
94 (6) Historic motor vehicle dealers;  
95 (7) Classic motor vehicle dealers; and  
96 (8) [Motorcycle] **Powersport** dealers.

301.560. 1. In addition to the application forms prescribed by the department, each  
2 applicant shall submit the following to the department:

- 3 (1) When the application is being made for licensure as a manufacturer, boat  
4 manufacturer, motor vehicle dealer, boat dealer, wholesale motor vehicle dealer, wholesale  
5 motor vehicle auction or a public motor vehicle auction, a certification by a uniformed member  
6 of the Missouri state highway patrol stationed in the troop area in which the applicant's place of  
7 business is located; except, that in counties of the first classification, certification may be  
8 authorized by an officer of a metropolitan police department when the applicant's established  
9 place of business of distributing or selling motor vehicles or trailers is in the metropolitan area  
10 where the certifying metropolitan police officer is employed, that the applicant has a bona fide  
11 established place of business. A bona fide established place of business for any new motor  
12 vehicle franchise dealer or used motor vehicle dealer shall include a permanent enclosed building  
13 or structure, either owned in fee or leased and actually occupied as a place of business by the  
14 applicant for the selling, bartering, trading or exchanging of motor vehicles or trailers and

15 wherein the public may contact the owner or operator at any reasonable time, and wherein shall  
16 be kept and maintained the books, records, files and other matters required and necessary to  
17 conduct the business. The applicant's place of business shall contain a working telephone which  
18 shall be maintained during the entire registration year. In order to qualify as a bona fide  
19 established place of business for all applicants licensed pursuant to this section there shall be an  
20 exterior sign displayed carrying the name [and class] of **the** business [conducted] **set forth** in  
21 letters at least six inches in height and clearly visible to the public and there shall be an area or  
22 lot which shall not be a public street on which one or more vehicles may be displayed, except  
23 when licensure is for a wholesale motor vehicle dealer, a lot and sign shall not be required. **The**  
24 **sign shall contain the name of the dealership by which it is known to the public through**  
25 **advertising or otherwise, which need not be identical to the name appearing on the**  
26 **dealership's license so long as such name is registered as a fictitious name with the**  
27 **secretary of state, has been approved by its line-make manufacturer in writing in the case**  
28 **of a new motor vehicle franchise dealer and a copy of such fictitious name registration has**  
29 **been provided to the department.** When licensure is for a boat dealer, a lot shall not be  
30 required. In the case of new motor vehicle franchise dealers, the bona fide established place of  
31 business shall include adequate facilities, tools and personnel necessary to properly service and  
32 repair motor vehicles and trailers under their franchisor's warranty;

33 (2) If the application is for licensure as a manufacturer, boat manufacturer, new motor  
34 vehicle franchise dealer, used motor vehicle dealer, wholesale motor vehicle auction, boat dealer  
35 or a public motor vehicle auction, a photograph, not to exceed eight inches by ten inches,  
36 showing the business building and sign shall accompany the initial application. In the case of  
37 a manufacturer, new motor vehicle franchise dealer or used motor vehicle dealer, the photograph  
38 shall include the lot of the business. A new motor vehicle franchise dealer applicant who has  
39 purchased a currently licensed new motor vehicle franchised dealership shall be allowed to  
40 submit a photograph of the existing dealership building, lot and sign but shall be required to  
41 submit a new photograph upon the installation of the new dealership sign as required by sections  
42 301.550 to 301.573. Applicants shall not be required to submit a photograph annually unless the  
43 business has moved from its previously licensed location, or unless the name of the business or  
44 address has changed, or unless the class of business has changed;

45 (3) If the application is for licensure as a wholesale motor vehicle dealer or as a boat  
46 dealer, the application shall contain the business address, not a post office box, and telephone  
47 number of the place where the books, records, files and other matters required and necessary to  
48 conduct the business are located and where the same may be inspected during normal daytime  
49 business hours. Wholesale motor vehicle dealers and boat dealers shall file reports as required  
50 of new franchised motor vehicle dealers and used motor vehicle dealers;

51           (4) Every applicant as a new motor vehicle franchise dealer, a used motor vehicle dealer,  
52 a wholesale motor vehicle dealer, or boat dealer shall furnish with the application a corporate  
53 surety bond or an irrevocable letter of credit as defined in section 400.5-103, RSMo, issued by  
54 any state or federal financial institution in the penal sum of twenty-five thousand dollars on a  
55 form approved by the department. The bond or irrevocable letter of credit shall be conditioned  
56 upon the dealer complying with the provisions of the statutes applicable to new motor vehicle  
57 franchise dealers, used motor vehicle dealers, wholesale motor vehicle dealers and boat dealers,  
58 and the bond shall be an indemnity for any loss sustained by reason of the acts of the person  
59 bonded when such acts constitute grounds for the suspension or revocation of the dealer's license.  
60 The bond shall be executed in the name of the state of Missouri for the benefit of all aggrieved  
61 parties or the irrevocable letter of credit shall name the state of Missouri as the beneficiary;  
62 except, that the aggregate liability of the surety or financial institution to the aggrieved parties  
63 shall, in no event, exceed the amount of the bond or irrevocable letter of credit. The proceeds  
64 of the bond or irrevocable letter of credit shall be paid upon receipt by the department of a final  
65 judgment from a Missouri court of competent jurisdiction against the principal and in favor of  
66 an aggrieved party;

67           (5) Payment of all necessary license fees as established by the department. In  
68 establishing the amount of the annual license fees, the department shall, as near as possible,  
69 produce sufficient total income to offset operational expenses of the department relating to the  
70 administration of sections 301.550 to 301.573. All fees payable pursuant to the provisions of  
71 sections 301.550 to 301.573, other than those fees collected for the issuance of dealer plates or  
72 certificates of number collected pursuant to subsection 6 of this section, shall be collected by the  
73 department for deposit in the state treasury to the credit of the "Motor Vehicle Commission  
74 Fund", which is hereby created. The motor vehicle commission fund shall be administered by  
75 the Missouri department of revenue. The provisions of section 33.080, RSMo, to the contrary  
76 notwithstanding, money in such fund shall not be transferred and placed to the credit of the  
77 general revenue fund until the amount in the motor vehicle commission fund at the end of the  
78 biennium exceeds two times the amount of the appropriation from such fund for the preceding  
79 fiscal year or, if the department requires permit renewal less frequently than yearly, then three  
80 times the appropriation from such fund for the preceding fiscal year. The amount, if any, in the  
81 fund which shall lapse is that amount in the fund which exceeds the multiple of the appropriation  
82 from such fund for the preceding fiscal year.

83           2. In the event a new manufacturer, boat manufacturer, motor vehicle dealer, wholesale  
84 motor vehicle dealer, boat dealer, wholesale motor vehicle auction or a public motor vehicle  
85 auction submits an application for a license for a new business and the applicant has complied  
86 with all the provisions of this section, the department shall make a decision to grant or deny the



87 license to the applicant within eight working hours after receipt of the dealer's application,  
88 notwithstanding any rule of the department.

89       3. Upon the initial issuance of a license by the department, the department shall assign  
90 a distinctive dealer license number or certificate of number to the applicant and the department  
91 shall issue one number plate or certificate bearing the distinctive dealer license number or  
92 certificate of number within eight working hours after presentment of the application. Upon the  
93 renewal of a boat dealer, boat manufacturer, manufacturer, motor vehicle dealer, public motor  
94 vehicle auction, wholesale motor vehicle dealer or wholesale motor vehicle auction, the  
95 department shall issue the distinctive dealer license number or certificate of number as quickly  
96 as possible. The issuance of such distinctive dealer license number or certificate of number shall  
97 be in lieu of registering each motor vehicle, trailer, vessel or vessel trailer dealt with by a boat  
98 dealer, boat manufacturer, manufacturer, public motor vehicle auction, wholesale motor vehicle  
99 dealer, wholesale motor vehicle auction or motor vehicle dealer.

100       4. Notwithstanding any other provision of the law to the contrary, the department shall  
101 assign the following distinctive dealer license numbers to:

102 New motor vehicle franchise dealers .....	D-0 through D-999
103 New motor vehicle franchise and commercial	
104       motor vehicle dealers .....	D-1000 through D-1999
105 Used motor vehicle dealers .....	D-2000 through D-5399
106	and D-6000 through D-9999
107 Wholesale motor vehicle dealers .....	W-1000 through W-1999
108 Wholesale motor vehicle auctions .....	W-2000 through W-2999
109 Trailer dealers .....	T-0 through T-9999
110 Motor vehicle and trailer manufacturers .....	M-0 through M-9999
111 Motorcycle dealers .....	D-5400 through D-5999
112 Public motor vehicle auctions .....	A-1000 through A-1999
113 Boat dealers and boat manufacturers .....	B-0 through B-9999

114       5. Upon the sale of a currently licensed new motor vehicle franchise dealership the  
115 department shall, upon request, authorize the new approved dealer applicant to retain the selling  
116 dealer's license number and shall cause the new dealer's records to indicate such transfer.

117       6. In the case of manufacturers and motor vehicle dealers, the department shall also issue  
118 one number plate bearing the distinctive dealer license number to the applicant upon payment  
119 by the manufacturer or dealer of a fifty-dollar fee. Such license plates shall be made with fully  
120 reflective material with a common color scheme and design, shall be clearly visible at night, and  
121 shall be aesthetically attractive, as prescribed by section 301.130. Boat dealers and boat  
122 manufacturers shall be entitled to one certificate of number bearing such number upon the

123 payment of a fifty-dollar fee. As many additional number plates as may be desired by  
124 manufacturers and motor vehicle dealers and as many additional certificates of number as may  
125 be desired by boat dealers and boat manufacturers may be obtained upon payment of a fee of ten  
126 dollars and fifty cents for each additional plate or certificate. A motor vehicle dealer, boat dealer,  
127 manufacturer, boat manufacturer, public motor vehicle auction, wholesale motor vehicle dealer  
128 or wholesale motor vehicle auction obtaining a dealer license plate or certificate of number or  
129 additional license plate or additional certificate of number, throughout the calendar year, shall  
130 be required to pay a fee for such license plates or certificates of number computed on the basis  
131 of one-twelfth of the full fee prescribed for the original and duplicate number plates or  
132 certificates of number for such dealers' licenses, multiplied by the number of months remaining  
133 in the licensing period for which the dealer or manufacturers shall be required to be licensed.  
134 In the event of a renewing dealer, the fee due at the time of renewal shall not be prorated.

135 7. The plates issued pursuant to subsection 3 or 6 of this section may be displayed on any  
136 motor vehicle owned and held for resale by the motor vehicle dealer or manufacturer, and used  
137 by a customer who is test driving the motor vehicle, or is used by an employee or officer, but  
138 shall not be displayed on any motor vehicle or trailer hired or loaned to others or upon any  
139 regularly used service or wrecker vehicle. Motor vehicle dealers may display their dealer plates  
140 on a tractor, truck or trailer to demonstrate a vehicle under a loaded condition.

141 8. The certificates of number issued pursuant to subsection 3 or 6 of this section may be  
142 displayed on any vessel or vessel trailer owned and held for resale by a boat manufacturer or a  
143 boat dealer, and used by a customer who is test driving the vessel or vessel trailer, or is used by  
144 an employee or officer, but shall not be displayed on any vessel or vessel trailer hired or loaned  
145 to others or upon any regularly used service vessel or vessel trailer. Boat dealers and  
146 manufacturers may display their certificate of number on a vessel or vessel trailer which is being  
147 transported to an exhibit or show.

**301.567. 1. For purposes of this section, a violation of any of the following  
2 advertising standards shall be deemed an attempt by the advertising dealer to obtain a fee  
3 or other compensation by fraud, deception or misrepresentation in violation of section  
4 301.562:**

5 **(1) A motor vehicle shall not be advertised as new, either by express terms or  
6 implication, unless it is a "new motor vehicle" as defined in section 301.550;**

7 **(2) When advertising any motor vehicle which is not a new motor vehicle, such  
8 advertisement must expressly identify that the motor vehicle is a used motor vehicle by  
9 express use of the term "used", or by such other term as is commonly understood to mean  
10 that the vehicle is used;**

11 **(3) Any terms, conditions, and disclaimers relating to the advertised motor vehicle's**

12 price or financing options shall be stated clearly and conspicuously. An asterisk or other  
13 reference symbol may be used to point to a disclaimer or other information, but not be  
14 used as a means of contradicting or changing the meaning of an advertised statement;

15 (4) The expiration date, if any, of an advertised sale or vehicle price shall be clearly  
16 and conspicuously disclosed. In the absence of such disclosure, the advertised sale or  
17 vehicle price shall be deemed effective so long as such vehicles remain in the advertising  
18 dealership's inventory;

19 (5) The terms "list price", "sticker price", or "suggested retail price", shall be used  
20 only in reference to the manufacturer's suggested retail price for new motor vehicles, and,  
21 if used, shall be accompanied by a clear and conspicuous disclosure that such terms  
22 represent the "manufacturer's suggested retail price" of the advertised vehicle;

23 (6) Terms such as "at cost", "\$..... above cost", shall not be used in  
24 advertisements because of the difficulty in determining a dealer's actual net cost at the time  
25 of the sale. Terms such as "invoice price", "\$..... over invoice", may be used, provided  
26 that the invoice referred to is the manufacturer's factory invoice for a new motor vehicle  
27 and the invoice is available for customer inspection. For purposes of this section,  
28 "manufacturer's factory invoice" means that document supplied by the manufacturer to  
29 the dealer listing the manufacturer's charge to the dealer before any deduction for  
30 holdback, group advertising, factory incentives or rebates, or any governmental charges;

31 (7) When the price or financing terms of a motor vehicle are advertised, the vehicle  
32 shall be fully identified as to year, make, and model. In addition, in advertisements placed  
33 by individual dealers and not line-make marketing groups, the advertised price or credit  
34 terms shall include all charges which the buyer must pay to the dealer, except buyer-  
35 selected options and state and local taxes. If a processing fee or freight or destination  
36 charges are not included in the advertised price, the amount of any such processing fee and  
37 freight or destination charge must be clearly and conspicuously disclosed within the  
38 advertisement;

39 (8) Advertisements which offer to match or better any competitors' prices shall not  
40 be used;

41 (9) Advertisements of "dealer rebates" shall not be used, however, this shall not be  
42 deemed to prohibit the advertising of manufacturer rebates, so long as all material terms  
43 of such rebates are clearly and conspicuously disclosed;

44 (10) "Free", "at no cost", shall not be used if any purchase is required to qualify  
45 for the "free" item, merchandise, or service;

46 (11) "Bait advertising", in which an advertiser may have no intention to sell at the  
47 prices or terms advertised, shall not be used. Bait advertising shall include, but not be

48 limited to, the following examples:

49 (a) Not having available for sale the advertised motor vehicles at the advertised  
50 prices. If a specific vehicle is advertised, the dealer shall be in possession of a reasonable  
51 supply of such vehicles, and they shall be available at the advertised price. If the  
52 advertised vehicle is available only in limited numbers or only by order, such limitations  
53 shall be stated in the advertisement;

54 (b) Advertising a motor vehicle at a specified price, including such terms as "as low  
55 as \$.....", but having available for sale only vehicles equipped with dealer added cost  
56 options which increase the selling price above the advertised price;

57 (12) Any reference to monthly payments, down payments, or other reference to  
58 financing or leasing information shall be accompanied by a clear and conspicuous  
59 disclosure of the following:

60 (a) Whether the payment or other information relates to a financing or a lease  
61 transaction;

62 (b) If the payment or other information relates to a financing transaction, the  
63 minimum down payment, annual percentage interest rate, and number of payments  
64 necessary to obtain the advertised payment amount must be disclosed, in addition to any  
65 special qualifications required for obtaining the advertised terms including, but not limited  
66 to, "first-time buyer" discounts, "college graduate" discounts, and a statement concerning  
67 whether the advertised terms are subject to credit approval;

68 (c) If the payment or other information relates to a lease transaction, the total  
69 amount due from the purchaser at signing with such costs broken down and identified by  
70 category, lease term expressed in number of months, whether the lease is closed-end or  
71 open-end, and total cost to the lessee over the lease term in dollars;

72 (13) Any advertisement which states or implies that the advertising dealer has a  
73 special arrangement or relationship with the distributor or manufacturer, as compared to  
74 similarly situated dealers, shall not be used;

75 (14) Any advertisement which, in the circumstances under which it is made or  
76 applied, is false, deceptive, or misleading shall not be used;

77 (15) No abbreviations for industry words or phrases shall be used in any  
78 advertisement unless such abbreviations are accompanied by the fully spelled or spoken  
79 words or phrases.

80 2. The requirements of this section shall apply regardless of whether a dealer  
81 advertises by means of print, broadcast, or electronic media, or direct mail.

82 3. Dealers shall clearly and conspicuously identify themselves in each advertisement  
83 by use of a dealership name which complies with subsection 6 of section 301.560.

301.600. 1. Unless excepted by section 301.650, a lien or encumbrance on a motor vehicle or trailer, as defined by section 301.010, is not valid against subsequent transferees or lienholders of the motor vehicle or trailer who took without knowledge of the lien or encumbrance unless the lien or encumbrance is perfected as provided in sections 301.600 to 301.660.

2. Subject to the provisions of section 301.620, a lien or encumbrance on a motor vehicle or trailer is perfected by the delivery to the director of revenue of a notice of a lien in a format as prescribed by the director of revenue. To perfect a subordinate lien, the notice of lien must be accompanied by the documents required to be delivered to the director pursuant to subdivision (3) of section 301.620. The notice of lien is perfected as of the time of its creation if the delivery of such notice to the director of revenue is completed within thirty days thereafter, otherwise as of the time of the delivery. A notice of lien shall contain the name and address of the owner of the motor vehicle or trailer and the secured party, a description of the motor vehicle or trailer, including the vehicle identification number, and such other information as the department of revenue may prescribe. A notice of lien substantially complying with the requirements of this section is effective even though it contains minor errors which are not seriously misleading. **Provided the lienholder submits complete and legible documents, the director of revenue shall mail confirmation or electronically confirm receipt of such notice of lien to the lienholder as soon as possible, but no later than fifteen business days after the filing of the notice of lien.**

3. Liens may secure future advances. The future advances may be evidenced by one or more notes or other documents evidencing indebtedness and shall not be required to be executed or delivered prior to the date of the future advance lien securing them. The fact that a lien may secure future advances shall be clearly stated on the security agreement and noted as "subject to future advances" on the notice of lien and noted on the certificate of ownership if the motor vehicle or trailer is subject to only one notice of lien. To secure future advances when an existing lien on a motor vehicle or trailer does not secure future advances, the lienholder shall file a notice of lien reflecting the lien to secure future advances. A lien to secure future advances is perfected in the same time and manner as any other lien, except as follows: proof of the lien for future advances is maintained by the department of revenue; however, there shall be additional proof of such lien when the notice of lien reflects such lien for future advances, is receipted for by the department of revenue, and returned to the lienholder.

4. If a motor vehicle or trailer is subject to a lien or encumbrance when brought into this state, the validity and effect of the lien or encumbrance is determined by the law of the jurisdiction where the motor vehicle or trailer was when the lien or encumbrance attached, subject to the following:

37 (1) If the parties understood at the time the lien or encumbrance attached that the motor  
38 vehicle or trailer would be kept in this state and it was brought into this state within thirty days  
39 thereafter for purposes other than transportation through this state, the validity and effect of the  
40 lien or encumbrance in this state is determined by the law of this state;

41 (2) If the lien or encumbrance was perfected pursuant to the law of the jurisdiction where  
42 the motor vehicle or trailer was when the lien or encumbrance attached, the following rules  
43 apply:

44 (a) If the name of the lienholder is shown on an existing certificate of title or ownership  
45 issued by that jurisdiction, the lien or encumbrance continues perfected in this state;

46 (b) If the name of the lienholder is not shown on an existing certificate of title or  
47 ownership issued by that jurisdiction, the lien or encumbrance continues perfected in this state  
48 three months after a first certificate of ownership of the motor vehicle or trailer is issued in this  
49 state, and also thereafter if, within the three-month period, it is perfected in this state. The lien  
50 or encumbrance may also be perfected in this state after the expiration of the three-month period;  
51 in that case perfection dates from the time of perfection in this state;

52 (3) If the lien or encumbrance was not perfected pursuant to the law of the jurisdiction  
53 where the motor vehicle or trailer was when the lien or encumbrance attached, it may be  
54 perfected in this state; in that case perfection dates from the time of perfection in this state;

55 (4) A lien or encumbrance may be perfected pursuant to paragraph (b) of subdivision (2)  
56 or subdivision (3) of this subsection either as provided in subsection 2 or 3 of this section or by  
57 the lienholder delivering to the director of revenue a notice of lien or encumbrance in the form  
58 the director of revenue prescribes and the required fee.

59 5. By rules and regulations, the director of revenue shall establish a security procedure  
60 for the purpose of verifying that an electronic notice of lien or notice of satisfaction of a lien on  
61 a motor vehicle or trailer given as permitted in sections 301.600 to 301.640 is that of the  
62 lienholder, verifying that an electronic notice of confirmation of ownership and perfection of a  
63 lien given as required in section 301.610 is that of the director of revenue, and detecting error  
64 in the transmission or the content of any such notice. A security procedure may require the use  
65 of algorithms or other codes, identifying words or numbers, encryption, callback procedures or  
66 similar security devices. Comparison of a signature on a communication with an authorized  
67 specimen signature shall not by itself be a security procedure.

301.610. 1. A certificate of ownership of a motor vehicle or trailer when issued by the  
2 director of revenue shall be mailed [or confirmation of such ownership shall be electronically  
3 transmitted or mailed to the first lienholder named in such certificate; and if no lienholder is  
4 shown, then the certificate of ownership shall be mailed to the] owner shown on the face of the  
5 title of such motor vehicle or trailer. **If the certificate of ownership is being held**

6 **electronically by the director of revenue at the election of a lienholder, then confirmation**  
7 **of such ownership shall be electronically transmitted or mailed to the first lienholder**  
8 **named in such certificate.**

9       2. A lienholder may elect that the director of revenue retain possession of an electronic  
10 certificate of ownership, and the director shall issue regulations to cover the procedure by which  
11 such election is made. Each such certificate of ownership shall require a separate election, unless  
12 the director provides otherwise by regulation. A subordinate lienholder shall be bound by the  
13 election of the superior lienholder with respect to the certificate involved.

14       3. "Electronic certificate of ownership" means any electronic record of ownership,  
15 including a lien or liens that may be recorded.

301.620. If an owner creates a lien or encumbrance on a motor vehicle or trailer:

2       (1) The owner shall immediately execute the application, in the space provided therefor  
3 on the certificate of ownership or on a separate form the director of revenue prescribes, to name  
4 the lienholder on the certificate, showing the name and address of the lienholder and the date of  
5 the lienholder's security agreement, and cause the certificate, application and the required fee to  
6 be delivered to the director of revenue;

7       (2) The lienholder or an authorized agent licensed pursuant to sections 301.112 to  
8 301.119 shall deliver to the director of revenue a notice of lien as prescribed by the director  
9 accompanied by all other necessary documentation to perfect a lien as provided in section  
10 301.600;

11       (3) [Upon request of the owner or subordinate lienholder, a lienholder in possession of  
12 the certificate of ownership shall either mail or deliver the certificate to the subordinate  
13 lienholder for delivery to the director of revenue or, upon receipt from the subordinate lienholder  
14 of the owner's application, the certificate and the required fee, mail or deliver them to the director  
15 of revenue with the certificate. The delivery of the certificate does not affect the rights of the  
16 first lienholder under the security agreement;] **To perfect a lien for a subordinate lienholder**  
17 **when a transfer of ownership occurs, the subordinate lienholder shall either mail or deliver**  
18 **or cause to be mailed or delivered, a completed notice of lien to the department of revenue,**  
19 **accompanied by authorization from the first lienholder. The owner shall ensure the**  
20 **subordinate lienholder is recorded on the application for title at the time the application**  
21 **is made to the department of revenue. To perfect a lien for a subordinate lienholder when**  
22 **there is no transfer of ownership, the owner or lienholder in possession of the certificate,**  
23 **shall either mail or deliver or cause to be mailed or delivered, the owner's application for**  
24 **title, certificate, notice of lien, authorization from the first lienholder and title fee to the**  
25 **department of revenue. The delivery of the certificate and executing a notice of**  
26 **authorization to add a subordinate lien does not affect the rights of the first lienholder**

27 **under the security agreement;**

28 (4) Upon receipt of the [certificate, application and the required fee] **documents and fee**  
29 **required in subdivision (3) of this section**, the director of revenue shall issue a new certificate  
30 of ownership containing the name and address of the new lienholder, and shall mail the  
31 certificate as prescribed in section 301.610 or if a lienholder who has elected for the director of  
32 revenue to retain possession of an electronic certificate of ownership the lienholder shall either  
33 mail or deliver to the director a notice of authorization for the director to add a subordinate  
34 lienholder to the existing certificate. Upon receipt of such authorization [and], a notice of lien  
35 **and required documents and title fee, if applicable**, from a subordinate lienholder, the director  
36 shall add the subordinate lienholder to the certificate of ownership being electronically retained  
37 by the director and provide confirmation of the addition to both lienholders;

38 (5) **Failure of the owner to name the lienholder in the application for title, as**  
39 **provided in this section is a class A misdemeanor.**

301.630. 1. A lienholder may assign, absolutely or otherwise, his or her lien or  
2 encumbrance in the motor vehicle or trailer to a person other than the owner without affecting  
3 the interest of the owner or the validity or effect of the lien or encumbrance, but any person  
4 without notice of the assignment is protected in dealing with the lienholder as the holder of the  
5 lien or encumbrance and the lienholder remains liable for any obligations as lienholder until the  
6 assignee is named as lienholder on the certificate.

7 2. The assignee may, but need not, to perfect the assignment, have the certificate of  
8 ownership endorsed or issued with the assignee named as lienholder, upon delivering to the  
9 director of revenue the certificate and an assignment by the lienholder named in the certificate  
10 in the form the director of revenue prescribes the application and the required fee.

11 3. If the certificate of ownership is being electronically retained by the director of  
12 revenue, the original lienholder may mail or deliver a notice of assignment of a lien to the  
13 director in a form prescribed by the director. Upon receipt of notice of assignment the director  
14 shall update the electronic certificate of ownership to reflect the assignment of the lien and  
15 lienholder.

301.640. 1. Upon the satisfaction of any lien or encumbrance of a motor vehicle or  
2 trailer [for which the certificate of ownership is in possession of the lienholder], the lienholder  
3 shall, within ten business days release the lien or encumbrance on the certificate **or a separate**  
4 **document**, and mail or deliver the certificate [to the next lienholder named therein, or, if none,]  
5 **or a separate document** to the owner or any person who delivers to the lienholder an  
6 authorization from the owner to receive the certificate **or such documentation. The release on**  
7 **the certificate or separate document shall be notarized. Each perfected subordinate**  
8 **lienholder if any, shall release such lien or encumbrance as provided in this section for the**



9 **first lienholder.** The owner may cause the certificate to be mailed or delivered to the director  
10 of revenue, who shall issue a new certificate of ownership upon application and payment of the  
11 required fee. A lien or encumbrance shall be satisfied for the purposes of this section when a  
12 lienholder receives payment in full in the form of certified funds, as defined in section 381.410,  
13 RSMo.

14 2. If the electronic certificate of ownership is in the possession of the director of revenue,  
15 the lienholder shall notify the director within ten business days of any release of a lien and  
16 provide the director with the most current address of the owner. The director shall note such  
17 release on the electronic certificate and if no other lien exists the director shall mail or deliver  
18 the certificate free of any lien to the owner.

19 3. [Upon the satisfaction of any lien or encumbrance in a motor vehicle or trailer for  
20 which a certificate is in possession of a prior lienholder, the lienholder whose lien or  
21 encumbrance is satisfied shall within ten business days release the lien or encumbrance on the  
22 certificate and deliver the certificate to the owner or any person who delivers to the lienholder  
23 an authorization from the owner to receive it. The lienholder in possession of the certificate shall  
24 at the request of the owner and upon surrender of the certificate of title by the owner and receipt  
25 of the required fee, either mail or deliver the certificate of ownership to the director of revenue,  
26 or deliver the certificate to the owner, or the person authorized by the owner, for delivery to the  
27 director of revenue, who shall issue a new certificate.

28 4.] If the purchase price of a motor vehicle or trailer did not exceed six thousand dollars  
29 at the time of purchase, a lien or encumbrance which was not perfected by a motor vehicle  
30 financing corporation whose net worth exceeds one hundred million dollars, or a depository  
31 institution, shall be considered satisfied within six years from the date the lien or encumbrance  
32 was originally perfected unless a new lien or encumbrance has been perfected as provided in  
33 section 301.600. This subsection does not apply to motor vehicles or trailers for which the  
34 certificate of ownership has recorded in the second lienholder portion the words "subject to  
35 future advances".

36 [5.] 4. Any lienholder who fails to comply with subsection 1[, ] or 2 [or 3] of this section  
37 shall pay to the person or persons satisfying the lien or encumbrance twenty-five dollars for the  
38 first ten business days after expiration of the time period prescribed in subsection 1[, ] or 2 [or  
39 3] of this section, and such payment shall double for each ten days thereafter in which there is  
40 continued noncompliance, up to a maximum of five hundred dollars for each lien. If delivery  
41 of the certificate **or other lien release** is made by mail, the delivery date is the date of the  
42 postmark for purposes of this subsection.

43 5. Any person who knowingly and intentionally sends in a separate document  
44 releasing a lien of another without authority to do so shall be guilty of a class C felony.

301.660. All transactions involving liens or encumbrances on motor vehicles or trailers  
2 entered into before [July 1, 1991] **July 1, 2003**, and the rights, duties and interests flowing from  
3 them remain valid thereafter and may be terminated, completed, consummated or enforced as  
4 required or permitted by any statute or other law amended or repealed by sections 301.600 to  
5 301.660 as though the repeal or amendment had not occurred.

306.400. 1. As used in sections 306.400 to 306.440, the terms "motorboat", "vessel",  
2 and "watercraft" shall have the same meanings given them in section 306.010, and the term  
3 "outboard motor" shall include outboard motors governed by section 306.530.

4 2. Unless excepted by section 306.425, a lien or encumbrance on an outboard motor,  
5 motorboat, vessel, or watercraft shall not be valid against subsequent transferees or lienholders  
6 of the outboard motor, motorboat, vessel or watercraft, who took without knowledge of the lien  
7 or encumbrance unless the lien or encumbrance is perfected as provided in sections 306.400 to  
8 306.430.

9 3. A lien or encumbrance on an outboard motor, motorboat, vessel or watercraft is  
10 perfected by the delivery to the director of revenue of a notice of lien in a format as prescribed  
11 by the director. Such lien or encumbrance shall be perfected as of the time of its creation if the  
12 delivery of the items required in this subsection to the director of revenue is completed within  
13 thirty days thereafter, otherwise such lien or encumbrance shall be perfected as of the time of the  
14 delivery. A notice of lien shall contain the name and address of the owner of the outboard motor,  
15 motorboat, vessel or watercraft and the secured party, a description of the outboard motor,  
16 motorboat, vessel or watercraft motor, including any identification number, and such other  
17 information as the department of revenue may prescribe. A notice of lien substantially  
18 complying with the requirements of this section is effective even though it contains minor errors  
19 which are not seriously misleading. **Provided the lienholder submits complete and legible**  
20 **documents, the director of revenue shall mail confirmation or electronically confirm**  
21 **receipt of each notice of lien to the lienholder as soon as possible, but no later than fifteen**  
22 **business days after the filing of the notice of lien.**

23 4. Liens may secure future advances. The future advances may be evidenced by one or  
24 more notes or other documents evidencing indebtedness and shall not be required to be executed  
25 or delivered prior to the date of the future advance lien securing them. The fact that a lien may  
26 secure future advances shall be clearly stated on the security agreement and noted as "subject to  
27 future advances" in the second lienholder's portion of the notice of lien. To secure future  
28 advances when an existing lien on an outboard motor, motorboat, vessel or watercraft does not  
29 secure future advances, the lienholder shall file a notice of lien reflecting the lien to secure future  
30 advances. A lien to secure future advances is perfected in the same time and manner as any other  
31 lien, except as follows. Proof of the lien for future advances is maintained by the department of

32 revenue; however, there shall be additional proof of such lien when the notice of lien reflects  
33 such lien for future advances, is receipted for by the department of revenue, and returned to the  
34 lienholder.

35         5. Whether an outboard motor, motorboat, vessel, or watercraft is subject to a lien or  
36 encumbrance shall be determined by the laws of the jurisdiction where the outboard motor,  
37 motorboat, vessel, or watercraft was when the lien or encumbrance attached, subject to the  
38 following:

39         (1) If the parties understood at the time the lien or encumbrances attached that the  
40 outboard motor, motorboat, vessel, or watercraft would be kept in this state and it is brought into  
41 this state within thirty days thereafter for purposes other than transportation through this state,  
42 the validity and effect of the lien or encumbrance in this state shall be determined by the laws  
43 of this state;

44         (2) If the lien or encumbrance was perfected pursuant to the laws of the jurisdiction  
45 where the outboard motor, motorboat, vessel, or watercraft was when the lien or encumbrance  
46 attached, the following rules apply:

47             (a) If the name of the lienholder is shown on an existing certificate of title or ownership  
48 issued by that jurisdiction, his or her lien or encumbrance continues perfected in this state;

49             (b) If the name of the lienholder is not shown on an existing certificate of title or  
50 ownership issued by the jurisdiction, the lien or encumbrance continues perfected in this state  
51 for three months after the first certificate of title of the outboard motor, motorboat, vessel, or  
52 watercraft is issued in this state, and also thereafter if, within the three-month period, it is  
53 perfected in this state. The lien or encumbrance may also be perfected in this state after the  
54 expiration of the three-month period, in which case perfection dates from the time of perfection  
55 in this state;

56         (3) If the lien or encumbrance was not perfected pursuant to the laws of the jurisdiction  
57 where the outboard motor, motorboat, vessel, or watercraft was when the lien or encumbrance  
58 attached, it may be perfected in this state, in which case perfection dates from the time of  
59 perfection in this state;

60         (4) A lien or encumbrance may be perfected pursuant to paragraph (b) of subdivision (2)  
61 or subdivision (3) of this subsection in the same manner as provided in subsection 3 of this  
62 section.

63         6. The director of revenue shall by rules and regulations establish a security procedure  
64 to verify that an electronic notice of lien or notice of satisfaction of a lien on an outboard motor,  
65 motorboat, vessel or watercraft given pursuant to sections 306.400 to 306.440 is that of the  
66 lienholder, to verify that an electronic notice of confirmation of ownership and perfection of a  
67 lien given pursuant to section 306.410 is that of the director of revenue and to detect error in the

68 transmission or the content of any such notice. Such a security procedure may require the use  
69 of algorithms or other codes, identifying words or numbers, encryption, callback procedures or  
70 similar security devices. Comparison of a signature on a communication with an authorized  
71 specimen signature shall not by itself constitute a security procedure.

306.405. 1. All certificates of title of an outboard motor, motorboat, vessel, or watercraft  
2 issued by the director of revenue shall be mailed [or confirmation of such ownership shall be  
3 electronically transmitted or mailed to the first lienholder named in such certificate or, if no  
4 lienholder is named,] to the owner named therein. **If the certificate of ownership is being held  
5 electronically by the director of revenue at the election of a lienholder, then confirmation  
6 of such ownership shall be electronically transmitted or mailed to the first lienholder  
7 named in such certificate.**

8 2. A lienholder may elect to have the director of revenue retain possession of an  
9 electronic certificate of title and the director shall issue regulations to govern the procedure for  
10 making such an election. Each such certificate of title shall require a separate election unless the  
11 director provides otherwise by regulation. A subordinate lienholder shall be bound by the  
12 election of the superior lienholder with respect to the certificate involved.

13 3. "Electronic certificate of title" means any electronic record of ownership, including  
14 liens that may be recorded.

306.410. If an owner creates a lien or encumbrance on an outboard motor, motorboat,  
2 vessel, or watercraft:

3 (1) The owner shall immediately execute the application, either in the space provided  
4 therefor on the certificate of title or on a separate form the director of revenue prescribes, to  
5 name the lienholder on the certificate of title, showing the name and address of the lienholder  
6 and the date of his or her security agreement, and shall cause the certificate of title, the  
7 application and the required fee to be mailed or delivered to the director of revenue. Failure of  
8 the owner to do so is a class A misdemeanor;

9 (2) The lienholder or an authorized agent licensed pursuant to sections 301.112 to  
10 301.119, RSMo, shall deliver to the director of revenue a notice of lien as prescribed by the  
11 director accompanied by all other necessary documentation to perfect a lien pursuant to section  
12 306.400;

13 (3) [Upon request of the owner or subordinate lienholder, a lienholder in possession of  
14 the certificate of title who receives the owner's application and required fee shall mail or deliver  
15 the certificate of title, application, and fee to the director of revenue, unless such certificate of  
16 title secures future advance liens. The delivery of the certificate of title to the director of revenue  
17 shall not affect the rights of the first lienholder under his or her security agreement] **To perfect  
18 a lien for a subordinate lienholder when a transfer of ownership occurs, the subordinate**

19 **lienholder shall either mail or deliver or cause to be mailed or delivered, a completed notice**  
20 **of lien to the department of revenue, accompanied by authorization from the first**  
21 **lienholder. The owner shall ensure the subordinate lienholder is recorded on the**  
22 **application for title at the time the application is made to the department of revenue. To**  
23 **perfect a lien for a subordinate lienholder when there is no transfer of ownership, the**  
24 **owner or lienholder in possession of the certificate, shall either mail or deliver or cause to**  
25 **be mailed or delivered, the owner's application for title, certificate, notice of lien,**  
26 **authorization from the first lienholder and title fee to the department of revenue. The**  
27 **delivery of the certificate and executing a notice of authorization to add a subordinate lien**  
28 **does not affect the rights of the first lienholder under the security agreement;**

29 (4) Upon receipt of the [certificate of title, application and the required fee] **documents**  
30 **and fee required in subdivision (3) of this section,** the director of revenue shall issue a new  
31 certificate of title containing the name and address of the new lienholder, and mail the certificate  
32 of title to the first lienholder named in it or if a lienholder has elected to have the director of  
33 revenue retain possession of an electronic certificate of title, the lienholder shall either mail or  
34 deliver to the director a notice of authorization for the director to add a subordinate lienholder  
35 to the existing certificate **as prescribed in section 306.405.** Upon receipt of such authorization  
36 and a notice of lien from a subordinate lienholder, the director shall add the subordinate  
37 lienholder to the certificate of title being electronically retained by the director and provide  
38 confirmation of the addition to both lienholders.

306.420. 1. Upon the satisfaction of a lien or encumbrance on an outboard motor,  
2 motorboat, vessel, or watercraft [for which the certificate of title is in the possession of the  
3 lienholder and provided the owner waives any rights to future advances subject to a lien in this  
4 chapter], the lienholder shall, within ten days [after demand and, in any event, within thirty days,]  
5 execute a release of his or her lien or encumbrance, **on the certificate or separate document,**  
6 and mail or deliver the certificate [and release to the next lienholder named therein, or, if no  
7 other lienholder is so named,] **or separate document** to the owner or any person who delivers  
8 to the lienholder an authorization from the owner to receive the [certificate.] **documentation.**  
9 **The release on the certificate or separate document shall be notarized. Each perfected**  
10 **subordinate lienholder, if any, shall release such lien or encumbrance as provided in this**  
11 **section for the first lienholder.** The owner may cause the certificate of title, the release, and  
12 the required fee to be mailed or delivered to the director of revenue, who shall release the  
13 lienholder's rights on the certificate and issue a new certificate of title.

14 2. [Upon the satisfaction of a second or third lien or encumbrance on an outboard motor,  
15 motorboat, vessel, or watercraft for which the certificate of title is in the possession of the first  
16 lienholder, the lienholder whose lien or encumbrance is satisfied shall, within ten days after

17 demand, and, in any event, within thirty days, execute a release and deliver the release to the  
18 owner or any person who delivers to the lienholder an authorization from the owner to receive  
19 it. The lienholder in possession of the certificate of title shall, at the request of the owner and  
20 upon receipt of the release and the required fee, either mail or deliver the certificate, the release,  
21 and the required fee to the director of revenue, or deliver the certificate of title to the owner, or  
22 the person authorized by him or her, for delivery of the certificate, the release and required fee  
23 to the director of revenue, who shall release the subordinate lienholder's rights on the certificate  
24 of title and issue a new certificate of title.

25 3.] If the electronic certificate of title is in the possession of the director of revenue, the  
26 lienholder shall notify the director within ten business days of any release of lien and provide the  
27 director with the most current address of the owner. The director shall note such release on the  
28 electronic certificate and if no other lien exists, the director shall mail or deliver the certificate  
29 free of any lien to the owner.

30 **3. Any person who knowingly and intentionally sends in a separate document**  
31 **releasing a lien of another without authority to do so shall be guilty of a class C felony.**

306.430. All transactions involving liens or encumbrances on outboard motors,  
2 motorboats, vessels, or watercraft entered into before [April 1, 1986] **July 1, 2003**, and the  
3 rights, duties, and interests flowing from such transactions shall remain valid after [April 1,  
4 1986] **July 1, 2003**, and may be terminated, completed, consummated, or enforced as required  
5 or permitted by any statute or other law amended or repealed by sections 306.400 to 306.430 as  
6 though such repeal or amendment had not occurred.

306.440. Failure by the owner to indicate the lienholder of a lien or encumbrance  
2 attached to the outboard motor, motorboat, vessel, or watercraft at time of making application  
3 for title is a class A misdemeanor.

365.070. 1. Each retail installment contract shall be in writing, shall be signed by both  
2 the buyer and the seller, and shall be completed as to all essential provisions prior to the signing  
3 of the contract by the buyer. In addition to the retail installment contract, the seller may require  
4 the buyer to execute and deliver a negotiable promissory note to evidence the indebtedness  
5 created by the retail installment transaction and the seller may require security for the payment  
6 of the indebtedness or the performance of any other condition of the transaction. Every note  
7 executed pursuant to a retail installment contract shall expressly state that it is subject to  
8 prepayment privilege required by law and the refund required by law in such cases. Any such  
9 note, if otherwise negotiable under the provisions of sections 400.3-101 to 400.3-805, RSMo,  
10 shall be negotiable. The retail installment contract may evidence the security.

11 2. The printed portion of the contract, other than instructions for completion, shall be in  
12 at least eight point type. The contract shall contain the following notice in a size equal to at least

13 ten point bold type:

14 "Notice to the Buyer.

15 Do not sign this contract before you read it or if it contains any blank spaces.

16 You are entitled to an exact copy of the contract you sign.

17 Under the law you have the right to pay off in advance the full amount due and to obtain  
18 a partial refund of the time price differential."

19 3. The contract shall also contain, in a size equal to at least ten point bold type, a specific  
20 statement that liability insurance coverage for bodily injury and property damage caused to others  
21 is not included if that is the case.

22 4. The seller shall deliver to the buyer, or mail to him at his address shown on the  
23 contract, a copy of the contract signed by the seller. Until the seller does so, a buyer who has not  
24 received delivery of the motor vehicle may rescind his agreement and receive a refund of all  
25 payments made and return of all goods traded in to the seller on account of or in contemplation  
26 of the contract, or if the goods cannot be returned, the value thereof. Any acknowledgment by  
27 the buyer of delivery of a copy of the contract shall be in a size equal to at least ten point bold  
28 type and, if contained in the contract, shall appear directly above the buyer's signature.

29 5. The contract shall contain the names of the seller and the buyer, the place of business  
30 of the seller, the residence of the buyer and a brief description of the motor vehicle including its  
31 make, year model, model and identification numbers or marks.

32 6. The contract shall contain the following items:

33 (1) The cash sale price of the motor vehicle;

34 (2) The amount of the buyer's down payment, and whether made in money or goods, or  
35 partly in money and partly in goods, including a brief description of the goods traded in;

36 (3) The difference between items one and two;

37 (4) The aggregate amount, if any, if a separate identified charge is made therefor,  
38 included for all insurance on the motor vehicle against loss, damage to or destruction of the  
39 motor vehicle, specifying the types of coverage and period;

40 (5) The aggregate amount, if any, if a separate identified charge is made therefor,  
41 included for all bodily injury and property damage liability insurance for injuries to the person  
42 or property of others, specifying the types of coverage and coverage period;

43 (6) The aggregate amount, if any, if a separate identified charge is made therefor,  
44 included for all life, accident or health insurance, specifying the types of coverage and coverage  
45 period;

46 (7) The amounts, if any, if a separate identified charge is made therefor, included for  
47 other insurance and benefits, specifying the types of coverage and benefits and the coverage  
48 periods and separately stating each amount for each insurance premium or benefit;

49 (8) The amount of official fees;

50 (9) The principal balance which is the sum of items (3), (4), (5), (6), (7) and (8);

51 (10) The amount of the time price differential **expressed in the contract as a percent**  
52 **per annum**;

53 (11) The total amount of the time balance stated as one sum in dollars and cents, which  
54 is the sum of items (9) and (10), payable in installments by the buyer to the seller, the number  
55 of installments, the amount of each installment and the due date or period thereof **based on the**  
56 **contract's original amortization schedule**; and

57 (12) The time sale price. The above items need not be stated in the sequence or order set  
58 forth.

365.120. 1. Notwithstanding the provisions of any other law, the time price differential  
2 included in a retail installment transaction [shall not exceed the following schedule:

3 Class 1. Any new motor vehicle designated by the manufacturer by a year model not  
4 earlier than the year in which the sale is made -- ten dollars per hundred dollars per year.

5 Class 2. Any new motor vehicle not in class 1 and any used motor vehicle designated by  
6 the manufacturer by a year model of the same or not more than two years prior to the year in  
7 which the sale is made -- ten dollars per one hundred dollars per year.

8 Class 3. Any used motor vehicle not in class 2 and designated by the manufacturer by  
9 a year model more than two years prior to the year in which the sale is made -- thirteen dollars  
10 per one hundred dollars per year] **on any motor vehicle without regard to the year model**  
11 **designated by the manufacturer, the retail seller may charge, contract and receive any time**  
12 **price differential agreed to by the retail buyer, expressed in the contract as a percent per**  
13 **annum that shall apply to the contract regardless of its repayment schedule.**

14 2. The time price differential shall be computed on the principal balance as [determined  
15 under subsection 6 of section 365.070 on contracts payable in successive monthly payments  
16 substantially equal in amount from the date of the contract until the maturity of the final  
17 installment, notwithstanding that the total time balance thereof is required to be paid in  
18 installments] **a percent per annum**. A minimum time price differential of twenty-five dollars  
19 may be charged on any retail installment transaction.

20 [3. When a retail installment contract provides for payment in other than substantially  
21 equal monthly installments, the time price differential may be at a rate which will provide the  
22 same return as is permitted on substantially equal monthly payment contracts under subsections  
23 1 and 2, having due regard for the schedule of payments in the contract.]

407.850. As used in sections 407.850 to 407.885, the following terms mean:

2 (1) "Current model", a model listed in the wholesaler's, manufacturer's or distributor's  
3 current sales manual or any supplements thereto;



4 (2) "Current net price", the price listed in the wholesaler's, manufacturer's or distributor's  
5 price list or catalogue in effect at the time the contract is canceled or discontinued, less any  
6 applicable trade and cash discounts;

7 (3) "Inventory", [farm] **equipment**, implements, machinery, attachments and repair  
8 parts;

9 (4) "Net cost", the price the retailer actually paid for the merchandise to the wholesaler,  
10 manufacturer or distributor, plus freight from the wholesaler's, manufacturer's or distributor's  
11 location to the dealer's location;

12 (5) "Retailer", any person, firm or corporation engaged in the business of selling,  
13 repairing and retailing:

14 (a) Farm implements, machinery, attachments or repair parts;

15 (b) Industrial, maintenance and construction power equipment; or

16 (c) Outdoor power equipment used for lawn, garden, golf course, landscaping or grounds  
17 maintenance;

18 but shall not include retailers of petroleum and motor vehicles and related automotive care and  
19 replacement products normally sold by such retailers.

407.860. 1. The wholesaler, manufacturer or distributor shall repurchase that inventory  
2 previously purchased from him and held by the retailer at the date of termination of the contract.  
3 The provisions of sections 407.850 to 407.885 shall apply to the transferee of such wholesaler,  
4 manufacturer or distributor if such transferee acquired substantially all of the assets of such  
5 wholesaler, manufacturer or distributor. The wholesaler, manufacturer or distributor shall pay  
6 one hundred percent of the net cost of all new, unsold, undamaged and complete [farm]  
7 **equipment**, implements, machinery, and attachments and ninety-five percent of the current net  
8 price of all new, unused and undamaged repair parts. The retailer shall pay the cost of  
9 transportation to the nearest warehouse maintained by the wholesaler, manufacturer, or  
10 distributor, or to a mutually agreeable site. The wholesaler, manufacturer or distributor shall pay  
11 the retailer five percent of the current net price on all new, unused and undamaged repair parts  
12 returned to cover the cost of handling, packing and loading. The wholesaler, manufacturer or  
13 distributor shall have the option of performing the handling, packing and loading in lieu of  
14 paying the five percent for these services. The retailer shall pay the cost of transportation to the  
15 nearest warehouse maintained by the wholesaler, manufacturer, or distributor, or to a mutually  
16 agreeable site.

17 2. Upon payment of the repurchase amount to the retailer, the title and right of  
18 possession to the repurchased inventory shall transfer to the wholesaler, manufacturer or  
19 distributor.

407.870. The provisions of sections 407.850 to 407.885 shall not require the repurchase

2 from a retailer of:

3 (1) Any repair part which because of its condition is not resalable as a new part without  
4 repackaging or reconditioning;

5 (2) Any inventory for which the retailer is unable to furnish evidence, satisfactory to the  
6 wholesaler, manufacturer or distributor, of title, free and clear of all claims, liens and  
7 encumbrances;

8 (3) Any inventory which the retailer desires to keep, provided the retailer has a  
9 contractual right to do so;

10 (4) Any **equipment**, implements, machinery, and attachments which are not in new,  
11 unused, undamaged, or complete condition;

12 (5) Any repair parts which are not in new, unused, or undamaged condition;

13 (6) Any **equipment**, implements, machinery or attachments which were purchased  
14 twenty-four months or more prior to notice of termination of the contract;

15 (7) Any inventory which was ordered by the retailer on or after the date of notification  
16 of termination of the contract;

17 (8) Any inventory which was acquired by the retailer from any source other than the  
18 wholesaler, manufacturer or distributor or transferee of such wholesaler, manufacturer or  
19 distributor **unless such inventory was acquired from any source authorized or arranged by**  
20 **the manufacturer.**

454.516. 1. The director or IV-D agency may cause a lien pursuant to [subsection]  
2 **subsections 2 and 3** of this section or the obligee may cause a lien pursuant to subsection [9] 7  
3 of this section for unpaid and delinquent child support to [be placed upon] **block the issuance**  
4 **of a certificate of ownership for** motor vehicles, motor boats, outboard motors, manufactured  
5 homes and trailers that are registered in the name of a delinquent child support obligor[, if the  
6 title to the property is held by a lienholder].

7 2. The director or IV-D agency shall notify the department of revenue with the required  
8 information necessary to impose a lien pursuant to this section by filing a notice of lien[, and the  
9 department of revenue shall notify the lienholder of the existence of such lien].

10 3. The **director or IV-D agency shall not notify the department of revenue and the**  
11 department of revenue shall not register [the] lien [unless] **except as provided in this**  
12 **subsection. After the director or IV-D agency decide that such lien qualifies pursuant to**  
13 **this section and forward it to the department of revenue, the director of revenue or the**  
14 **director's designee shall only file such lien against the obligor's certificate of ownership**  
15 **when:**

16 (1) The [director of revenue or the director's designee determines that the] obligor has  
17 unpaid child support which exceeds one thousand dollars;

18           (2) The property has a value of more than three thousand dollars as determined by  
19 current industry publications that provide such estimates to dealers in the business, and the  
20 property's year of manufacture is within seven years of the date of filing of the lien except in the  
21 case of a motor vehicle that has been designated a historic vehicle;

22           (3) The property has no more than two existing liens for child support;

23           (4) The property has had no more than three prior liens for child support in the same  
24 calendar year.

25           4. In the event that a lien is placed and the obligor's total support obligation is  
26 eliminated, the director shall notify the department of revenue that the lien shall be removed.

27           5. Upon notification [by the director] that a lien exists pursuant to this section, the  
28 department of revenue shall [send a sticker of impaired title in an envelope which says  
29 prominently "important legal document" to the lienholder] **register the lien on the records of**  
30 **the department of revenue**. Such [sticker] **registration** shall contain the type and model of the  
31 property[,], **and** the serial number of the property [and the identification number of the obligor  
32 and shall be properly affixed to the certificate of title by the lienholder].

33           6. Upon notification by the director that the lien shall be removed pursuant to subsection  
34 4 of this section, the department of revenue shall [send a void sticker to the lienholder and such  
35 void sticker shall be properly affixed to the certificate of title by the lienholder covering the  
36 impaired title sticker. Such sticker] **register such removal of lien on its database, that** shall  
37 contain the type and model of the property[,], **and** the serial number of the property [and the  
38 identification number of the obligor].

39           7. [When a lienholder has received notice of a lien created by the division or IV-D  
40 agency pursuant to this section and the obligor thereafter satisfies the debt to that lienholder, the  
41 lienholder shall mail to the division or IV-D agency the certificate of ownership on the motor  
42 vehicle, motor boat, outboard motor, manufactured home or trailer. The division or IV-D agency  
43 may hold the certificate of ownership until the child support obligation is satisfied, or levy and  
44 execute on the motor vehicle, motor boat, outboard motor, manufactured home or trailer and sell  
45 same, at public sale, in order to satisfy the debt. A lienholder shall inform dealers in the business  
46 of motor vehicles, motor boats, manufactured homes and trailers, upon request, of the existence  
47 or nonexistence of a lien imposed by the division pursuant to this section.

48           8.] A good faith purchaser for value without notice of the lien or a lender without notice  
49 of the lien takes free of the lien.

50           [9.] **8.** In cases which are not IV-D cases, to cause a lien pursuant to the provisions of  
51 this section the obligee or the obligee's attorney shall file notice of the lien with the [lienholder  
52 or payor] **department of revenue**. This notice shall have attached a certified copy of the court  
53 order with all modifications and a sworn statement by the obligee or a certified statement from

54 the court attesting to or certifying the amount of arrearages.

55 **9. Notwithstanding any other law to the contrary, the department of revenue shall**  
56 **maintain a child support lien database that may be collected against the owner on a**  
57 **certificate of ownership provided for by chapters 301, 306 and 700, RSMo. To determine**  
58 **any existing liens for child support pursuant to this section, the lienholder, dealer or buyer**  
59 **may inquire electronically into the database. A good faith purchaser for value without**  
60 **notice of the lien or a lender without notice of the lien takes free of the lien.**

700.350. 1. As used in sections 700.350 to 700.390, the term "manufactured home" shall  
2 have the same meanings given it in section 700.010 **or section 400.9-102(a)(53), RSMo.**

3 2. Unless excepted by section 700.375, a lien or encumbrance on a manufactured home  
4 shall not be valid against subsequent transferees or lienholders of the manufactured home who  
5 took without knowledge of the lien or encumbrance unless the lien or encumbrance is perfected  
6 as provided in sections 700.350 to 700.380.

7 3. A lien or encumbrance on a manufactured home is perfected by the delivery to the  
8 director of revenue[, by the owner, of the existing certificate of ownership, if any, an application  
9 for a certificate of ownership containing the name and address of the lienholder and the date of  
10 his security agreement, and the required certificate of ownership fee] **of a notice of lien in a**  
11 **format as prescribed by the director of revenue.** Such lien or encumbrance shall be perfected  
12 as of the time of its creation if the delivery [of the items] **of the notice of lien** required in this  
13 subsection to the director of revenue is completed within thirty days thereafter, otherwise such  
14 lien or encumbrance shall be perfected as of the time of the delivery. **A notice of lien shall**  
15 **contain the name and address of the owner of the manufactured home and the secured**  
16 **party, a description of the manufactured home, including any identification number and**  
17 **such other information as the department of revenue shall prescribe. A notice of lien**  
18 **substantially complying with the requirements of this section is effective even though it**  
19 **contains minor errors which are not seriously misleading.** Liens may secure future advances.  
20 The future advances may be evidenced by one or more notes or other documents evidencing  
21 indebtedness and shall not be required to be executed or delivered prior to the date of the **future**  
22 **advance** lien securing them. The fact that a lien may secure future advances shall be clearly  
23 stated on the security agreement and noted as "subject to future advances" [in the second  
24 lienholder's portion of the title application] **in the notice of lien** and noted on the certificate of  
25 ownership if the motor vehicle or trailer is subject to only one lien. **To secure future advances**  
26 **when an existing lien on a manufactured home does not secure future advances, the**  
27 **lienholder shall file a notice of lien reflecting the lien to secure future advances. A lien to**  
28 **secure future advances is perfected in the same time and manner as any other lien, except**  
29 **as follows: proof of the lien for future advances is maintained by the department of**

30 **revenue; however, there shall be additional proof of such lien when the notice of lien**  
31 **reflects such lien for future advances, is receipted by the department of revenue, and**  
32 **returned to the lienholder.**

33 4. Whether a manufactured home is subject to a lien or encumbrance shall be determined  
34 by the laws of the jurisdiction where the manufactured home was when the lien or encumbrance  
35 attached, subject to the following:

36 (1) If the parties understood at the time the lien or encumbrances attached that the  
37 manufactured home would be kept in this state and it is brought into this state within thirty days  
38 thereafter for purposes other than transportation through this state, the validity and effect of the  
39 lien or encumbrance in this state shall be determined by the laws of this state;

40 (2) If the lien or encumbrance was perfected under the laws of the jurisdiction where the  
41 manufactured home was when the lien or encumbrance attached, the following rules apply:

42 (a) If the name of the lienholder is shown on an existing certificate of title or ownership  
43 issued by that jurisdiction, his lien or encumbrance continues perfected in this state;

44 (b) If the name of the lienholder is not shown on an existing certificate of title or  
45 ownership issued by the jurisdiction, the lien or encumbrance continues perfected in this state  
46 for three months after the first certificate of title of the manufactured home is issued in this state,  
47 and also thereafter if, within the three-month period, it is perfected in this state. The lien or  
48 encumbrance may also be perfected in this state after the expiration of the three-month period,  
49 in which case perfection dates from the time of perfection in this state;

50 (3) If the lien or encumbrance was not perfected under the laws of the jurisdiction where  
51 the manufactured home was when the lien or encumbrance attached, it may be perfected in this  
52 state, in which case perfection dates from the time of perfection in this state;

53 (4) A lien or encumbrance may be perfected under paragraph (b) of subdivision (2) or  
54 subdivision (3) of this subsection in the same manner as provided in subsection 3 of this section  
55 **or by the lienholder delivering to the director or revenue a notice of lien or encumbrance**  
56 **in the form the director prescribes and the required fee.**

57 5. By rules and regulations, the director of revenue shall establish a security  
58 procedure for the purpose of verifying that an electronic notice of lien or notice of  
59 satisfaction of lien on a manufactured home given as permitted in this chapter is that of the  
60 lienholder, verifying that an electronic notice of confirmation of ownership and perfection  
61 of a lien given as required in this chapter is that of the director of revenue, and detecting  
62 error in the transmission or the content of such notice. A security procedure may require  
63 the use of algorithms or other codes, identifying words or numbers, encryption, call back  
64 procedures or similar security devices. Comparison of a signature on a communication  
65 with an authorized specimen signature shall not by itself be a security procedure.

66           **6. All transactions involving liens or encumbrances on manufactured homes**  
67 **perfected pursuant to sections 700.350 to 700.390 after June 30, 2001, and before August**  
68 **28, 2002, and the rights, duties, and interests flowing from them are and shall remain valid**  
69 **thereafter and may be terminated, completed, consummated, or enforced as required or**  
70 **permitted by section 400.9-303, RSMo, or this section. Section 400.9-303, RSMo, and this**  
71 **section are remedial in nature and shall be given that construction.**

72           **7. The repeal and reenactment of subsections 3 and 4 of this section shall become**  
73 **effective July 1, 2003.**

          700.355. [All certificates of title to a manufactured home issued by the director of  
2 revenue shall be mailed or otherwise delivered to the first lienholder named in such certificate  
3 or, if no lienholder is named, to the owner named therein.] **1. A certificate of title to the**  
4 **manufactured home when issued by the director of revenue shall be mailed or confirmation**  
5 **of such title shall be electronically transmitted or mailed to the owner shown on the face**  
6 **of the title of such manufactured home. Provided the lienholder submits complete and**  
7 **legible documents, the director of revenue shall mail confirmation or electronically confirm**  
8 **receipt of each notice of lien to the lienholder as soon as possible, but no later than fifteen**  
9 **business days after the filing of the notice of lien.**

10           **2. A lienholder may elect that the director of revenue retain possession of an**  
11 **electronic certificate of title, and the director shall issue regulations to cover the procedure**  
12 **by which such election is made. Each such certificate of title shall require a separate**  
13 **election, unless the director provides otherwise by regulation. A subordinate lienholder**  
14 **shall be bound by the election of the superior lienholder with respect to the certificate**  
15 **involved.**

16           **3. "Electronic certificate of ownership" means any electronic record of title,**  
17 **including a lien or liens that may be recorded.**

          700.360. If an owner creates a lien or encumbrance on a manufactured home:

2           (1) The owner shall immediately execute the application, either in the space provided  
3 therefor on the certificate of title or on a separate form the director of revenue prescribes, to  
4 name the lienholder on the certificate of title, showing the name and address of the lienholder  
5 and the date of his security agreement, and shall cause the certificate of title, the application and  
6 the required fee to be mailed or delivered to the director of revenue. Failure of the owner to do  
7 so, **including naming the lienholder in such application**, is a class A misdemeanor;

8           (2) [Upon request of The owner or subordinate lienholder, a lienholder in possession of  
9 the certificate of title who receives the owner's application and required fee shall mail or deliver  
10 the certificate of title, application, and fee to the director of revenue. The delivery of the  
11 certificate of title to the director of revenue shall not affect the rights of the first lienholder under

12 his security agreement;

13 (3) Upon receipt of the certificate of title, application and the required fee, the director  
14 of revenue shall issue a new certificate of title containing the name and address of the new  
15 lienholder, and mail the certificate of title to the first lienholder named in it.] **The lienholder or**  
16 **an authorized agent licensed pursuant to sections 301.112 to 301.119, RSMo, shall deliver**  
17 **to the director of revenue a notice of lien as prescribed by the director accompanied by all**  
18 **other necessary documentation to perfect a lien as provided in this section;**

19 (3) To perfect a lien for a subordinate lienholder when a transfer of ownership  
20 occurs, the subordinate lienholder shall either mail or deliver or cause to be mailed or  
21 delivered, a completed notice of lien to the department of revenue, accompanied by  
22 authorization from the first lienholder. The owner shall ensure the subordinate lienholder  
23 is recorded on the application for title at the time the application is made to the department  
24 of revenue. To perfect a lien for a subordinate lienholder when there is no transfer of  
25 ownership, the owner or lienholder in possession of the certificate, shall either mail or  
26 deliver or cause to be mailed or delivered, the owner's application for title, certificate,  
27 notice of lien, authorization from the first lienholder and title fee to the department of  
28 revenue. The delivery of the certificate and executing a notice of authorization to add a  
29 subordinate lien does not affect the rights of the first lienholder under the security  
30 agreement;

31 (4) Upon receipt of the documents and fee required in subdivision (3) of this section,  
32 the director of revenue shall issue a new certificate of ownership containing the name and  
33 address of the new lienholder, and shall mail the certificate as prescribed in section  
34 700.355, or if a lienholder who has elected for the director of revenue to retain possession  
35 of an electronic certificate of ownership the lienholder shall either mail or deliver to the  
36 director a notice of authorization for the director to add a subordinate lienholder to the  
37 existing certificate. Upon receipt of such authorization, a notice of lien and required  
38 documents and title fee, if applicable, from a subordinate lienholder, the director shall add  
39 the subordinate lienholder to the certificate of ownership being electronically retained by  
40 the director and provide confirmation of the addition to both lienholders.

700.365. 1. A lienholder may assign, absolutely or otherwise, his lien or encumbrance  
2 on the manufactured home to a person other than the owner without affecting the interest of the  
3 owner or the validity or effect of the lien or encumbrance, but any person without notice of the  
4 assignment is protected in dealing with the lienholder as the holder of the lien or encumbrance  
5 and the lienholder shall remain liable for any obligations as lienholder until the assignee is  
6 named as lienholder on the certificate of title.

7 2. An assignee under subsection 1 of this section may, but need not to perfect the

8 assignment, have the certificate of title issued with the assignee named as lienholder, upon  
9 delivering to the director of revenue the certificate of title, an assignment by the lienholder  
10 named in the certificate of title, and the required fee in the form the director of revenue  
11 prescribes.

12 **3. If the certificate of ownership is being electronically retained by the director of**  
13 **revenue, the original lienholder may mail or deliver a notice of assignment of a lien to the**  
14 **director in a form prescribed by the director. Upon receipt of notice of assignment, the**  
15 **director shall update the electronic certificate of ownership to reflect the assignment of the**  
16 **lien and lienholder.**

700.370. [1.] Upon the satisfaction of a lien or encumbrance on a manufactured home  
2 [for which the certificate of title is in the possession of the lienholder], the lienholder shall,  
3 within ten days after demand, [and, in any event, within thirty days, execute a] release [of his]  
4 **the lien or encumbrance on the certificate or a separate document**, and mail or deliver the  
5 certificate [and release to the next lienholder named therein, or, if no other lienholder is so  
6 named] **or separate document**, to the owner or any person who delivers to the lienholder an  
7 authorization from the owner to receive the certificate **or separate document. Each perfected**  
8 **subordinate lienholder, if any, shall release such lien or encumbrance as provided in this**  
9 **section for the first lienholder. The release on the certificate or separate document shall**  
10 **be notarized.** The owner may cause the certificate of title, the release, and the required fee to  
11 be mailed or delivered to the director of revenue, who shall release the lienholder's rights on the  
12 certificate and issue a new certificate of title.

13 [2. Upon the satisfaction of a second or third lien or encumbrance on a manufactured  
14 home for which the certificate of title is in the possession of the first lienholder, the lienholder  
15 whose lien or encumbrance is satisfied shall, within ten days after demand, and, in any event,  
16 within thirty days, execute a release and deliver the release to the owner or any person who  
17 delivers to the lienholder an authorization from the owner to receive it. The lienholder in  
18 possession of the certificate of title shall, at the request of the owner and upon receipt of the  
19 release and the required fee, either mail or deliver the certificate, the release, and the required  
20 fee to the director of revenue, or deliver the certificate of title to the owner, or the person  
21 authorized by him, for delivery of the certificate, the release and required fee to the director of  
22 revenue, who shall release the subordinate lienholder's rights on the certificate of title and issue  
23 a new certificate of title.]

700.380. All transactions involving liens or encumbrances on manufactured homes  
2 entered into before [December 31, 1985] **July 1, 2003**, and the rights, duties, and interests  
3 flowing from such transactions shall remain valid [after December 31, 1985] **thereafter**, and  
4 may be terminated, completed, consummated, or enforced as required or permitted by any statute



5 or other law amended or repealed by sections 700.350 to 700.380 as though such repeal or  
6 amendment had not occurred.

2 [301.661. The changes in sections 301.190, 301.610, 301.620, 301.630 and  
3 301.640 made through the provisions of house bill no. 884, as enacted in the second  
4 regular session of the eighty-sixth general assembly are remedial and should be given  
that construction.]

2 [407.750. Whenever any person, firm, or corporation engaged in the business  
3 of selling and repairing industrial, maintenance and construction power equipment  
4 enters into a written or parol contract whereby such retailer agrees to maintain a stock  
5 of parts or machines or equipment or attachments with any wholesaler, manufacturer,  
6 or distributor of industrial, maintenance and construction power equipment used for  
7 industrial, maintenance or construction applications and either such wholesaler,  
8 manufacturer, or distributor desires to cancel or discontinue the contract, such  
9 wholesaler, manufacturer, or distributor shall pay to such retailer, unless the retailer  
10 should desire to keep such merchandise, a sum equal to ninety percent of the net cost  
11 of all new, unused, undamaged and complete industrial, maintenance and  
12 construction power equipment used for industrial, maintenance and construction  
13 applications including transportation charges which have been paid by such retailer,  
14 and ninety percent of the current net price on new, unused and undamaged repair  
15 parts at the price listed in the current price lists or catalogues, which parts had  
16 previously been purchased from such wholesaler, manufacturer, or distributor in the  
17 previous two years, and held by such retailer on the date of the cancellation of such  
18 contract. Any parts in a dealer's inventory for more than two years shall be returned  
19 for ninety percent of his original purchase cost. "Net cost" means the price the  
20 retailer actually paid for the equipment. "Current net price" means the price listed  
21 in the manufacturer's, wholesaler's or distributor's price list or catalogue in effect on  
22 the date of termination, less any applicable trade or cash discounts. Upon the  
23 payment of the sum equal to ninety percent of the net cost of such equipment and  
24 ninety percent of the current net price on the repair parts, the title to such machinery  
25 and repair parts shall pass to the manufacturer, wholesaler or distributor making such  
26 payment, and such manufacturer, wholesaler, or distributor shall be entitled to the  
27 possession of such equipment and repair parts. All payments required to be made  
28 under the provisions of this section must be made within ninety days after the return  
29 of the machinery or repair parts. After ninety days, all payments or allowances shall  
30 include interest at the rate stated in section 408.040, RSMo. The provisions of this  
section shall not require the repurchase from a retailer of:

- 31 (1) Any repair part which has a limited storage life or is otherwise subject to  
32 deterioration, such as rubber items, gaskets or batteries;  
33 (2) Any repair part which is in a broken or damaged package;  
34 (3) Any single repair part which is priced as a set of two or more items;  
35 (4) Any repair part which because of its condition is not resalable as a new  
36 part without repackaging or reconditioning;  
37 (5) Any inventory for which the retailer is unable to furnish evidence,

38 satisfactory to the wholesaler, manufacturer or distributor, of title, free and clear of  
39 all claims, liens and encumbrances;

40 (6) Any inventory which the retailer desires to keep, provided the retailer has  
41 a contractual right to do so;

42 (7) Any implements, machinery, and attachments which are not in new,  
43 unused, undamaged, or complete condition;

44 (8) Any repair parts which are not in new, unused, or undamaged condition;

45 (9) Any implements, machinery or attachments which were purchased  
46 twenty-four months or more prior to notice of termination of the contract;

47 (10) Any inventory which was ordered by the retailer on or after the date of  
48 notification of termination of the contract;

49 (11) Any inventory which was acquired by the retailer from any source other  
50 than the wholesaler, manufacturer or distributor or transferee of such wholesaler,  
51 manufacturer or distributor;

52 (12) Any part that has been removed from an engine or short block or piece  
53 of equipment or any part that has been mounted or installed on an engine or on  
54 equipment.]

2 [407.751. The provisions of section 407.750 shall be supplemental to any  
3 agreement between the retailer and the manufacturer, wholesaler or distributor  
4 covering the return of equipment and repair parts. The retailer may elect to pursue  
5 either his contract remedy or the remedy provided herein, and an election by the  
6 retailer to pursue his contract remedy shall not bar his right to the remedy provided  
herein as to those equipment and repair parts not affected by the contract remedy.]

2 [407.752. In the event that any manufacturer, wholesaler, or distributor of  
3 machinery and repair parts for industrial, maintenance and construction power  
4 equipment used for industrial, maintenance and construction applications, upon  
5 cancellation of a contract by either a retailer or a manufacturer, wholesaler, or  
6 distributor, fails or refuses to make payment to such dealer as required by the  
7 provisions of section 407.750, such manufacturer, wholesaler, or distributor shall be  
8 liable in a civil action to the retailer for costs of litigation and attorney's fees and for  
9 one hundred percent of the net cost of such machinery, plus transportation charges  
10 which have been paid by the retailer and one hundred percent of the current net price  
of the repair parts.]

2 [407.890. Whenever any person, firm, or corporation engaged in the business  
3 of selling and repairing outdoor power equipment used for lawn, garden, golf course,  
4 landscaping or grounds maintenance, enters into a written or parol contract whereby  
5 such retailer agrees to maintain a stock of parts or machines or equipment or  
6 attachments with any wholesaler, manufacturer, or distributor of outdoor power  
7 equipment used for lawn, garden, golf course, landscaping or grounds maintenance,  
8 and either such wholesaler, manufacturer, or distributor desires to cancel or  
9 discontinue the contract, such wholesaler, manufacturer, or distributor shall pay to  
10 such retailer, unless the retailer should desire to keep such merchandise, a sum equal  
to ninety percent of the net cost of all new, unused, undamaged and complete outdoor

power equipment used for lawn, garden, golf course, landscaping or grounds maintenance, including transportation charges which have been paid by such retailer, and ninety percent of the current net price on new, unused and undamaged repair parts at the price listed in the current price lists or catalogues, which parts had previously been purchased from such wholesaler, manufacturer, or distributor in the previous two years, and held by such retailer on the date of the cancellation of such contract. Any parts in dealer's inventory for more than two years shall be returned for ninety percent of his original purchase cost. "Net cost" means the price the retailer actually paid for the equipment. "Current net price" means the price listed in the manufacturer's, wholesaler's or distributor's price list or catalogue in effect on the date of termination, less any applicable trade or cash discounts. Upon the payment of the sum equal to ninety percent of the net cost of such equipment and ninety percent of the current net price on the repair parts, the title to such machinery and repair parts shall pass to the manufacturer, wholesaler or distributor making such payment, and such manufacturer, wholesaler, or distributor shall be entitled to the possession of such equipment and repair parts. All payments required to be made under the provisions of this section must be made within ninety days after the return of the machinery or repair parts. After ninety days, all payments or allowances shall include interest at the rate stated in section 408.040, RSMo. The provisions of this section shall not require the repurchase from a retailer of:

- (1) Any repair part which has a limited storage life or is otherwise subject to deterioration, such as rubber items, gaskets or batteries;
- (2) Any repair part which is in a broken or damaged package;
- (3) Any single repair part which is priced as a set of two or more items;
- (4) Any repair part which because of its condition is not resalable as a new part without repackaging or reconditioning;
- (5) Any inventory for which the retailer is unable to furnish evidence, satisfactory to the wholesaler, manufacturer or distributor, of title, free and clear of all claims, liens and encumbrances;
- (6) Any inventory which the retailer desires to keep, provided the retailer has a contractual right to do so;
- (7) Any implements, machinery, and attachments which are not in new, unused, undamaged, or complete condition;
- (8) Any repair parts which are not in new, unused, or undamaged condition;
- (9) Any implements, machinery or attachments which were purchased twenty-four months or more prior to notice of termination of the contract;
- (10) Any inventory which was ordered by the retailer on or after the date of notification of termination of the contract;
- (11) Any inventory which was acquired by the retailer from any source other than the wholesaler, manufacturer or distributor or transferee of such wholesaler, manufacturer or distributor;
- (12) Any part that has been removed from an engine or short block or piece of equipment or any part that has been mounted or installed on an engine or on

54 equipment.]

2 [407.892. The provisions of section 407.890 shall be supplemental to any  
3 agreement between the retailer and the manufacturer, wholesaler or distributor  
4 covering the return of equipment and repair parts. The retailer may elect to pursue  
5 either his contract remedy or the remedy provided herein, and an election by the  
6 retailer to pursue his contract remedy shall not bar his right to remedy provided  
herein as to those equipment and repair parts not affected by the contract remedy.]

2 [407.893. In the event that any manufacturer, wholesaler, or distributor of  
3 machinery and repair parts for outdoor power equipment used for lawn, garden, golf  
4 course, landscaping or ground maintenance, upon cancellation of a contract by either  
5 a retailer or a manufacturer, wholesaler, or distributor, fails or refuses to make  
6 payment to such dealer as required by the provisions of section 407.890, such  
7 manufacturer, wholesaler, or distributor shall be liable in a civil action to the retailer  
8 for costs of litigation and attorneys' fees and for one hundred percent of the net cost  
9 of such machinery, plus transportation charges which have been paid by the retailer  
and one hundred percent of the current net price of the repair parts.]

2 [700.390. Failure by the owner to indicate the lienholder of a lien or  
3 encumbrance attached to the manufactured home at time of making application for  
title is a class A misdemeanor.]